PROVINCE OF SASKATCHEWAN

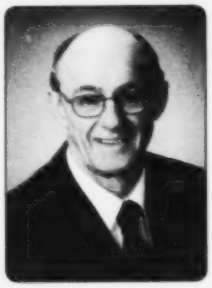
10-11

PLAN FOR 2010-11

MINISTRY OF
AGRICULTURE

MINISTRY PLAN FOR 2010-11

Statement from the Minister



I am pleased to present the Ministry's Plan for the upcoming year, which is in alignment with Government's direction for 2010-11.

In 2010-11, the Ministry of Agriculture will work to administer the AgriStability Program and provide a leadership role in the federal/provincial/territorial strategic review of business risk management programming. Saskatchewan Agriculture will continue to deliver programs under Growing Forward. We will also continue to put Crown land back in the hands of producers through the Agricultural Crown Land Sale Program, with the aim of creating a more attractive business climate for the agriculture industry.

We will promote the competitiveness and benefits of the agriculture sector – by showcasing our agriculture industry on a national and international stage. We will also invest in progressive and relevant research by expanding producer-driven research and demonstration programming. Finally, we will ensure farmers, ranchers, producer groups, and industry have regional access to services and information through 10 regional offices.

I accept responsibility for furthering Government's commitments while ensuring the Ministry is managed with integrity and professionalism, with a commitment to Government's corporate values and principles. Examining programs and services to ensure the most effective and efficient delivery possible is a key priority for all ministries and an activity that will be reported on as results are achieved.

I will report on the progress made toward this Plan, within the financial parameters provided to my Ministry, in the Ministry's annual report.

The Honourable Bob Bjornerud
Minister of Agriculture

Response to Government Direction

Ministry Plans for 2010-11 align with Government's **vision for a secure and prosperous Saskatchewan, leading the country in economic and population growth, while providing opportunity for a high quality of life for all**. Government's vision, goals, and priorities for the upcoming year are described in the ***Government Direction for 2010-11: Balanced. Forward-Looking. Responsible.***

Government's Plan and Budget for 2010-11 are about finding balance: responsibly managing expenditures, ensuring a solid revenue base, minimizing debt levels, and ensuring everyone can benefit from the province's economic prosperity.

To maintain the province's economic momentum, steps need to be taken to slow the growth in government expenditures. Direction has been provided to ministries to find ways to improve the effectiveness and efficiency of government's programs and services, and to ensure the best use of public funds. Efforts will focus on responsible financial management and innovative solutions to improve services to the public while reducing government's overall footprint.

Similar to the ministry and agency plans presented last year, the Plan for 2010-11 communicates a high-level framework for the Ministry's key activities and identifies how the Ministry works to support Government's goals and priorities.

Mission Statement

The purpose of the Saskatchewan Ministry of Agriculture is to enable a prosperous, market-driven agricultural industry through a supportive legislative framework, policies, programs, and services.

Strategies and Actions

Government Goal – Economic Growth

Sustain Economic Growth for the benefit of Saskatchewan people, ensuring the economy is ready for growth and positioning Saskatchewan to meet the challenges of economic and population growth and development.

Strategy	Key 2010-11 Actions
Ensure farmers, ranchers, producer groups, and industry have access to effective business risk management programs	• As Provincial Chair, provide a leadership role in the federal/provincial/territorial strategic review of business risk management programs. • Develop and implement a marketing and communication plan for increasing industry awareness and understanding of public and private sector business risk management tools. • Provide a report on cattle price insurance in response to industry requests. • Effectively administer business risk management programs under Growing Forward, which include Crop Insurance and AgriStability. • Provide provincial contributions to the federally administered AgriInvest program.
Ensure farmers, ranchers, producer groups, and industry have regional access to services and information	• Provide regional services to producers (forage, livestock, crops, and irrigation) in the areas of: - program delivery; - technical advice and training; - business information and services; - technology transfer; and, - environmental farm planning. • Promote Ministry regional service delivery through implementation of a comprehensive communications strategy, to increase awareness and usage of programs. • Provide diagnostic services in the areas of plant health, insects, weed control, and herbicide resistance screening at the Crop Protection Laboratory.

Strategy	Key 2010-11 Actions
Collaborate with other levels of government and industry on key agriculture industry issues	• Overcome existing trade barriers by pursuing increased market access and ensuring Saskatchewan interests are reflected in all trade agreements (i.e. World Trade Organization agreement, European Union negotiations, bilateral trade agreements, and North American Free Trade Agreement). • Develop an interprovincial agricultural network inclusive of government, industry, and academia to support agricultural policy development. • Advocate Saskatchewan's agriculture interests at all federal/provincial/territorial (FPT) engagements (including FPT Ministers, Deputy Ministers, Assistant Deputy Ministers, FPT Trade, etc.). • Work with industry to expand irrigation in the Lake Diefenbaker area. • Deliver Growing Forward programs: ~ Farm and Ranch Water Infrastructure Program; ~ Farm and Value-Added Business Development Programming; ~ Environmental Farm Planning; ~ Farm Stewardship Program; ~ On-Farm Food Safety; ~ Post-Farm Food Safety; ~ Biosecurity; ~ Voluntary Traceability; and, ~ Extension services and youth initiatives. • Administer the interest-only portion of the Federal Advanced Payments Program (APP) in Saskatchewan for feeder cattle and bison.
Create an attractive business climate for the agriculture industry and establish the infrastructure that will support business development	• Improve long-term agricultural competitiveness by understanding institutional, infrastructure, taxation, innovation, investments, and federal regulatory impediments. • Through policy, regulatory changes, and industry group development, implement an action plan to modernize administration of game farm regulation. • Consult, review, and amend Ministry legislation and regulation. • Facilitate growth of Saskatchewan's livestock industry, including cattle, bison, and sheep. The Livestock Loan Guarantee Program (LLG) provides producers with alternative financing options to purchase livestock or construct or expand feedlot facilities. • Offer supplemental grazing to Saskatchewan livestock producers affected by drought via the Saskatchewan Pastures Program (SPP). • Sell farm land held by the Crown to Crown land lessees through continued delivery of the Agricultural Crown Land Sale Program.
Invest in progressive and relevant research, innovation, and commercialization to benefit the agriculture sector	• Continue to provide research funding (Agriculture Development Fund), to increase crop and livestock sector competitiveness, production, product development, and value-added processing. • Expand and deliver farmer-driven research and demonstration programming (e.g. Agricultural Demonstration of Practices and Technology program). • Emphasize applied agriculture research as a means of promoting technology transfer to the industry and benefiting producers at the farmgate. • Deliver research and commercialization-focused Growing Forward programs: ~ Saskatchewan Agri-Value Initiative (SAVI); and, ~ Research and innovation programming.

Strategy	Key 2010-11 Actions
Promote the agriculture sector and its benefits	• Work with the industry to communicate the benefits of the agriculture sector in order to attract new participants. • Continue to work with the Youth Advisory Committee to attract and retain youth in the agriculture industry in Saskatchewan. • Showcase the Saskatchewan agriculture industry and opportunities on a national and international stage (e.g. Agriculture Biotech International Conference, Pacific North West Economic Region, and hosting federal/provincial/territorial meetings). • Provide financial support where appropriate for agriculture promotion and industry partnership (e.g. Agribition). • Provide production information and highlight agricultural issues and activities occurring in the province's agriculture sector in Agriview. • Administer an apprenticeship style, on-farm skills-training program called the Green Certificate Farm Training Program.
Improve the effectiveness and efficiency of the Ministry's programs and services so as to ensure the best use of public funds	• Implement a management practice of assessment and continuous improvement to ensure a robust, objective, and multi-year assessment function. • Examine and document what has been done to date in order to transition the AgriStability Program to Saskatchewan Crop Insurance Corporation (SCIC) and outline the framework for assessing what may be done in the future in order to maximize the quality of service to producers. • In conjunction with federal partners, evaluate Growing Forward programs in order to improve effectiveness, as necessary. • Continue to explore program improvements for Crop Insurance.

Performance Measures

Measure	Baseline / Trend Line Information

Applications for the Farm and Ranch Water Infrastructure Program (FRWIP)

Targeted to southwest Saskatchewan

Category	Applications - 2008	Completed projects - 2009
Community well	79	16
On-farm projects	3,304	1,455

Province-wide

Category	Applications - 2009	Completed projects - 2009
Community well	27	1
On-farm projects	2,089	650

Measure Description

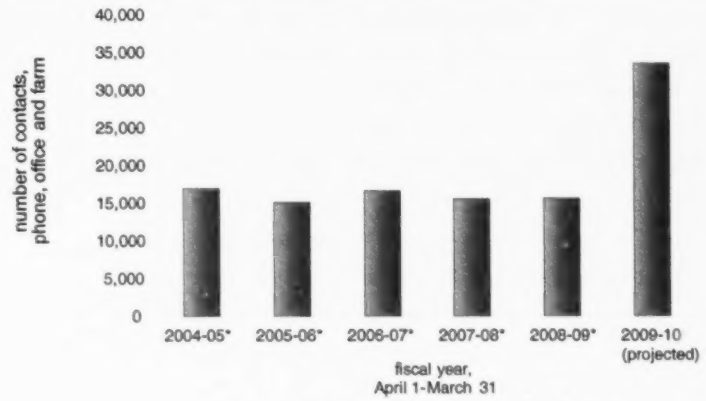
The Farm and Ranch Water Infrastructure Program (FRWIP) supports the development of secure water sources in Saskatchewan to expand the livestock industry, encourage rural economic activity, and mitigate the effects of future drought. Farmers, ranchers, rural municipalities, and Indian Bands across Saskatchewan are eligible for funding of the following projects:

- community wells;
- large diameter and small diameter wells;
- shallow or deep-buried pipelines; and,
- dugouts.

This program improves the business climate through infrastructure development (i.e. availability of water sources), and it is also one of the Growing Forward suite of programs provided in collaboration with the federal government.

The application period for the targeted (for southwest Saskatchewan) FRWIP closed on December 3, 2008, and no new applications were accepted in 2009. Due to constraints on construction resources, the completion deadline for projects was extended to November 1, 2010.

The province-wide FRWIP was established under Growing Forward in April 2009. The number of projects completed will provide a measure for success of the program, however, constraints on construction resources have restricted the number of projects completed.

Measure	Baseline / Trend Line Information
Number of contacts with farmers	

*AKC only, other years include Regional Offices

Measure Description

In order to be more readily accessible to the industry, the Ministry transitioned from a centralized service delivery approach to a distributed regional presence in early 2009. This allows regional specialists to be better positioned to help farmers and ranchers increase the profitability and productivity of their operations.

Being more readily available to clients will change the number of contacts with farmers and ranchers enabling the Ministry to gauge the accessibility and usefulness of the technical and support services made available. The number of contacts includes telephone calls, farm visits, and office visits at the Ministry's 10 Regional Offices and the Agriculture Knowledge Centre (AKC) located at the Moose Jaw Regional Office.

Contact numbers are projected to increase significantly in 2009-10 as the Ministry expanded its regional presence with the addition of three offices and began recording contacts at the Regional Office level. The number provides an approximate measure of the accessibility of the Ministry's services, at best, as inquiries will vary from year-to-year depending on sector stresses such as weather, agronomic issues, or economic factors.

Measure	Baseline / Trend Line Information

Client satisfaction survey

	2005*	2007*	2010 projected
Courteousness of employees	96%	99%	100%
Knowledge of employees	83%	88%	92%
Usefulness of information/ solution	80%	82%	88%
Communication skills	96%	97%	97%
Amount of time required to resolve problem	82%	85%	88%
Overall service provided	76%	85%	90%

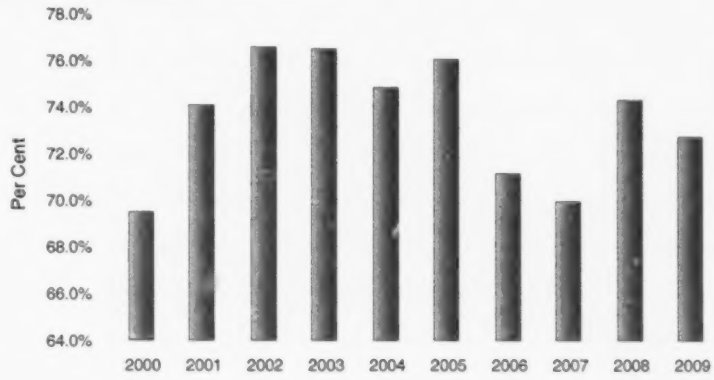
**AKC only, will include regional offices in future years*

Measure Description

The 2005 client survey took place within a year of the change from Rural Service Centres to the Agriculture Knowledge Centre (AKC) as the contact point for the Ministry. The 2007 client survey showed increased satisfaction with AKC services; however, about one third of the clients commented on the lack of regional services and personal contact with Ministry staff.

Since these two surveys, the Ministry expanded its regional presence in 2009 and specialists are again providing extension programming and meeting with farmers and ranchers to help solve their problems. A 2010 client satisfaction survey will include regional office clients and will provide an indication of the success of the new regional delivery model.

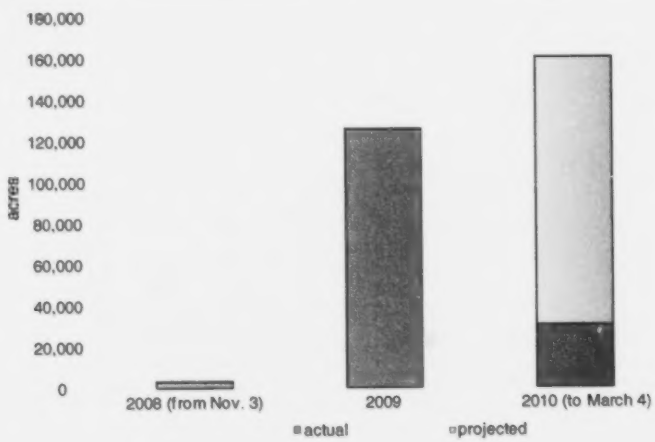
This measure provides an indication of the satisfaction of Ministry clients in their interactions with the AKC in 2005 and 2007, and in future years with Ministry staff across the province. The percentages in the table represent those clients who responded as "satisfied" and "very satisfied" to each of the questions.

Measure	Baseline / Trend Line Information
Acreage insured under Crop Insurance as a percentage of total seeded acres	

Measure Description

Crop Insurance is a valuable risk management tool for producers. One measure to determine the Crop Insurance Program participation is comparing insured acreage to the total possible acreage that could be insured. The goal is to maintain or increase the amount of insured acreage in Saskatchewan. But fluctuations occur from year-to-year for various reasons, including individual circumstances, program options, crop prices, and speculation on the current year's outlook. Changes are made annually to enhance the program and to benefit Saskatchewan producers.

Significant changes were made to the Crop Insurance Program in 2009. In order to further strengthen its multi-peril program, the Annual Crop Weather Based Insurance Program was discontinued in 2009, which is the main reason for the decrease in insured acres. In 2009, the Crop Insurance Program insured 72.7 per cent of grain-seeded acres in the province. This amount is equivalent to the five-year average.

Measure	Baseline / Trend Line Information
Number of acres of Crown land sold	

Measure Description

In November 2008, the Saskatchewan Ministry of Agriculture introduced a five-year Agricultural Crown Land Sale Program to Crown land lessees. The program is designed to encourage lessees to purchase their leased agricultural Crown lands, enabling them more control over their own business operations. Many lessees have been asking for this type of program for a long time and the program fulfils a commitment made in the 2007 Throne Speech.

The program offers agricultural Crown land lessees a sliding scale incentive for purchase, beginning with a 10 per cent discount on the sale price of the land from November 15, 2008 to December 31, 2010; an eight per cent discount in 2011; a six per cent discount in 2012; a four per cent discount in 2013; and, a two per cent discount in 2014.

The chart shows acres sold since the program began in November 2008 through to acres sold in 2010 up to March 4. This measure shows one indicator of success of the Ministry's strategy for creating an attractive business climate through establishing infrastructure for business development.

Measure	Baseline / Trend Line Information

Presence at trade shows, industry events, and partnerships

Ministry Involvement in 2009-10	Number
Trade show, international meetings, etc.	25
Program information sessions, for example, Growing Forward, AgriStability	17
Industry conferences, meetings, etc.	120
Youth and promotional events	13
Event sponsorships	22
Information sessions, training, field days	83
Other events such as open houses, consultation, etc.	22
Federal/provincial/territorial meetings	5
Total	307

If there is overlap, the event is only counted in one category

Measure Description

This measure provides an indication of the interaction of Ministry staff with the agriculture industry. It provides insight into several strategy areas, including:

- provision of regional services since much of the Ministry involvement listed in the table is provided in rural areas, for example information sessions, open houses, or field days;
- collaboration with other levels of government and industry; and,
- promotion of the agriculture sector.

Ministry staff provide production and economic advice by putting on seminars and workshops throughout the province. Regional meetings employing the regional crops, livestock, forage, and farm business management specialists are held on a variety of topics.

The Ministry is very active at the Agriculture Federal/Provincial/Territorial (FPT) table. Saskatchewan has chaired the Ministers', Deputy Ministers' and Assistant Deputy Ministers' FPT committees since July 2009. Saskatchewan's objective at these meetings is to ensure that the province's viewpoints are considered as the industry progresses.

Many events take place that are attended by school children. Using these venues, the Ministry promotes a career in the agriculture industry by increasing knowledge, understanding, and the benefits of the industry.

Measure	Baseline / Trend Line Information

Number of practices, technologies, and products demonstrated within Saskatchewan

	ADOPT Applications Approved	Completed demonstrations*
August 2009	19	–
March 2010	69	–

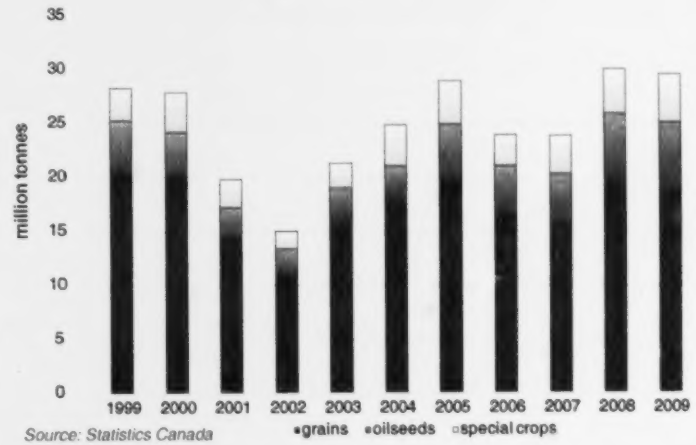
** demonstrations to be completed or take place during the 2010 growing season*

Measure Description

Saskatchewan Agriculture offers a comprehensive portfolio of research and development programs designed to meet the current needs and to create future growth opportunities for the agriculture industry. These programs coupled with the federal/provincial/territorial Growing Forward (GF) suite of programs support applied research and development; foster product, process and market development; and, help ensure that there is the necessary research capacity in Saskatchewan to meet the needs of our farmers and other sectors of the agriculture industry.

In addition to the Ministry's core research and development programs are the new GF programs that include the Agricultural Demonstration of Practices and Technology (ADOPT) program. The purpose of the ADOPT program is to accelerate the transfer of knowledge to Saskatchewan producers and ranchers and to help producer groups evaluate and demonstrate new agricultural practices and technologies at the local level. The results of successful trials can then be adopted more quickly by farming operations in the region. This measure provides an indication of technologies reaching agriculture producers.

Industry Specific Performance Measure

Measure	Baseline / Trend Line Information
Crop Production	

Source: Statistics Canada

Measure Description

Crop production is a long-term indicator of the health of the crop sector. While the Ministry can influence crop production through the provision of technical advice, investment in research and technology transfer, other factors, as described below, have a much larger impact.

The drop in production in 2002 resulted from below-average harvested areas and below-average yields. The growing season suffered weather-related problems including cool weather that slowed seeding progress, drought, flooding, and early frost as well as disease and insect infestations. Again, 2003 had low yields for many of the same reasons. The years 2008 and 2009 had good weather that allowed the crops to flower longer and set more seed. In fact, 2008 recorded the highest harvested crop on record. Production was slightly lower in 2009 and crop producers faced a long, drawn-out harvest. The 10-year average (1999-2008) crop production is 24.3 million tonnes.

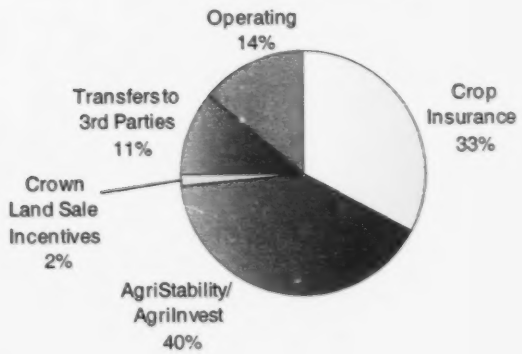
Financial Summary

Highlights of Appropriation and Expense 2010-11

2010-11 Estimates	(in thousands of dollars)
Central Management and Services	7,283
Industry Assistance	6,096
Land Management	9,718
Policy and Planning	8,446
Research and Technology	16,917
Regional Services	32,670
Irrigation and Water Infrastructure	9,721
Financial Programs	9,248
Business Risk Management	283,371
Ministry Operations Appropriation	**383,470**
Capital Asset Acquisitions	-
Capital Asset Amortization	2,306
Total Appropriation	**385,776**
FTE Staff Complement	**477.0**

For more information, see the Budget Estimates at: http://www.finance.gov.sk.ca/budget/2010-11

Ministry Spending



HIGHLIGHTS

The following are key announcements being made in the 2010-11 Budget:

- Total Ministry of Agriculture budget of $385.8 million.
- $283.4 million to deliver and fully fund the Province's 40 per cent share of business risk management programs (AgriStability, AgriInvest, and Crop Insurance premiums) including:
  - improvements to the Crop Insurance and Wildlife Damage Compensation Programs; and,
  - the transfer of AgriStability administration to Crop Insurance in Melville.
- $16 million for grants to support agricultural research and development.
- $6 million to continue the second year of the Crown Land Sale Incentive Program, aimed at putting Crown land back in the hands of farmers.
- $3.5 million for third-party grants to a variety of agricultural organizations to develop and promote the industry.
- $2.6 million for the Comprehensive Pest Control Program to continue gopher, rat, black fly, and livestock predation programs.
- $20.2 million in funding provided by the federal government for farm and value-added business development, environmental farm planning, food safety/traceability/biosecurity, and innovation and research.

For More Information

Please visit the Ministry's website at www.agriculture.gov.sk.ca or call (306) 787-5211 (Regina) for more information on the Ministry's programs and services.